

BEFORE THE NEVADA GAMING COMMISSION  
AND THE STATE GAMING CONTROL BOARD

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In the Matter of

WILLIAM HILL PLC

(Registration)\_\_\_\_\_

ORDER OF REGISTRATION

THIS MATTER came on regularly for hearing before the State Gaming Control Board (“Board”) on June 7, 2012, at Carson City, Nevada, and before the Nevada Gaming Commission (“Commission”) on June 21, 2012, at Las Vegas, Nevada; and

THE BOARD AND COMMISSION having considered all information pertinent hereto;

IT IS HEREBY ORDERED BY THE NEVADA GAMING COMMISSION UPON THE RECOMMENDATION OF THE STATE GAMING CONTROL BOARD:

1. THAT the following applications, as amended and supplemented, have been filed:

a. The applications of William Hill plc for (i) registration as a publicly traded corporation and (ii) a finding of suitability as the sole shareholder of William Hill Holdings Limited,

b. The applications of William Hill Holdings Limited for (i) registration as an intermediary company and (ii) a finding of suitability as the sole shareholder of William Hill U.S. HoldCo, Inc.,

c. The applications of William Hill U.S. HoldCo, Inc. for (i) registration as an intermediary company, (ii) approval of an acquisition of control of American Wagering, Inc. and (iii) findings of suitability as the sole shareholder of American Wagering, Inc. and BW Sub Co.,

d. The applications of BW Sub Co. for (i) registration as an intermediary company and (ii) licensure as sole member and manager of Brandywine Bookmaking LLC,

e. The applications of Leroy's Horse and Sports Place for (i) registration as an intermediary company and (ii) licensure as the sole shareholder of CN Acquisition Sub, Inc., and

f. The applications of CN Acquisition Sub, Inc. for (i) licensure as a manufacturer, distributor and an operator of an inter-casino linked system, and (ii) licensure to conduct off-track pari-mutuel race wagering and nonrestricted gaming operations (race book and sports pool only) at locations identified in the records of the Board.

2. THAT William Hill plc is registered as a publicly traded corporation and is found suitable as the sole shareholder of William Hill Holdings Limited.

3. THAT William Hill Holdings Limited is registered as an intermediary company and is found suitable as the sole shareholder of William Hill U.S. Holdco, Inc.

4. THAT William Hill U.S. Holdco, Inc. is registered as an intermediary company, is approved, pursuant to NGC Regulation 16.200, to acquire control of American Wagering, Inc. and is found suitable as the sole shareholder of American Wagering, Inc. and BW Sub Co.

5. THAT BW Sub Co. is registered as an intermediary company and is licensed as the sole member and manager of Brandywine Bookmaking LLC.

6. THAT American Wagering, Inc. is registered as an intermediary company, is found suitable as the sole shareholder of AWI Gaming, Inc. and is licensed as the sole shareholder Leroy's Horse and Sports Place and AWI Manufacturing, Inc.

7. THAT AWI Manufacturing, Inc. is licensed as a manufacturer and distributor, subject to such conditions or limitations as may be imposed by the Commission.

8. THAT AWI Gaming, Inc. is registered as an intermediary company and is licensed as the sole member of Sturgeons, LLC.

9. THAT Sturgeons, LLC, dba Sturgeons Inn & Casino, is licensed to conduct nonrestricted gaming operations at 1420 Cornell St, Lovelock, subject to such conditions or limitations as may be imposed by the Commission.

10. THAT Leroy's Horse and Sports Place, dba Leroy's Horse and Sports Place, is registered as an intermediary company, is licensed as the sole shareholder of CN Acquisition Sub, Inc. and is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations (race book and sports pool only) as specified in the records of the Board at locations identified in the records of the Board, subject to the conditions or limitations identified in the records of the Board and any other conditions or limitations as may be imposed by the Commission.

11. THAT Brandywine Bookmaking LLC, dba Lucky's, is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations (race book and sports pool only) as specified in the records of the Board at locations identified in the records of the Board, subject to the conditions or limitations identified in the records of the Board and any other conditions or limitations as may be imposed by the Commission.

12. THAT CN Acquisition Sub, Inc., dba CN Acquisition Sub, Inc., is licensed as a manufacturer, distributor and an operator of an inter-casino linked system, subject to such conditions or limitations as may be imposed by the Commission.

13. THAT CN Acquisition Sub, Inc., dba CN Acquisition Sub, Inc., is licensed to conduct off-track pari-mutuel wagering and nonrestricted gaming operations (race book and sports pool only) as specified in the records of the Board at locations identified in the records of the Board, subject to the conditions or limitations identified in the records of the Board and any other conditions or limitations as may be imposed by the Commission.

14. THAT in addition to the requirements imposed by NRS 463.639(2), William Hill plc shall, pursuant to NRS 463.639(2), provide the Board, within 10 days of receipt, a true copy of all statements regarding ownership of William Hill plc securities filed pursuant to the United Kingdom Companies Act of 2006 ("Companies Act"), as amended.

15. THAT in addition to the requirements of NGC Regulation 16.330, and pursuant to NGC Regulation 16.330(6), William Hill plc shall provide to the Board the following:

a. A copy of all material documents filed by William Hill plc with the Financial Services Authority of the United Kingdom, the London Stock Exchange, and any other foreign governmental agency which regulates the sale of its securities. These material documents include, but are not limited to, filings which are similar in nature and purpose to those filed by a domestic publicly traded corporation with the Securities and Exchange Commission ("SEC"), such as registration statements, proxy statements, information statements, annual and quarterly reports to stockholders, statements reflecting beneficial ownership, or any report involving insider trading, self-dealing, related third party transactions, fraud, market manipulations, short-selling profits, or margin accounts, which such documents may be filed pursuant to the United Kingdom Financial Services and Markets Act of 2000, the Companies Act, as amended, the London Stock Exchange Listing Rules, or other applicable statutes or regulations;

b. A copy of all press releases issued by William Hill plc or a licensed subsidiary thereof which are filed with the Financial Services Authority of the United Kingdom, the London Stock Exchange, and any other foreign governmental agency which regulates the sale of its securities, e-mailed to the Investigations Division - Corporate Securities Section in Carson City, Nevada, at or before the time of release;

c. Within 10 business days of receipt, a true copy of all material documents received by William Hill plc from any national or regional securities exchange. In addition, William Hill plc shall immediately advise the Board of any inquiries or investigations undertaken

by any national or regional securities exchange or any other such agency which regulates the sales of William Hill plc's securities; and

d. Any additional information which may be required to effectively and adequately investigate, monitor and regulate William Hill plc, its subsidiaries and its business and gaming activities, within 5 business days of receipt of a request (oral or written) by the Board and/or the Investigations Division - Corporate Securities Section.

16. THAT if William Hill plc conducts an offering of securities that is a "public offering" pursuant to Section 59 of Part III or pursuant to Part IV of the Companies Act, as amended, and if the securities or the proceeds from the sale thereof are intended to be used for any of the purposes set forth in NGC Regulation 16.110(2), then William Hill plc shall comply with the provisions of NGC Regulations 16.100, 16.110, 16.115, 16.125, 16.130, and 16.140, which are hereby deemed applicable to William Hill plc as if it were a domestic publicly traded corporation.

17. THAT before any proxy or information statement subject to Part XI of the Companies Act, as amended, or Section 146 of the Financial Services Act, as amended, is sent to the holders of the voting securities of William Hill plc, which includes a discussion of the nature and scope of, and procedures under, the Nevada Gaming Control Act (the "Act") and the Commission Regulations (the "Regulations"), such proxy statement or information statement must be approved by the Board. A proxy statement or information statement is deemed to have been approved if it has been filed with the Board for at least 10 days and the Board has not issued a stop order during such period.

18. THAT William Hill plc shall not issue securities in the form of Bearer Bonds that are convertible into voting securities if as a result of the exercise of all conversions of such bonds, the holders thereof would own greater than 10% of the then outstanding voting securities of William Hill plc, without the prior approval of the Commission upon the recommendation of the Board.

19. THAT, pursuant to NRS 463.643(5), William Hill plc shall, at least annually, notify its security holders that any person who, individually or in association with others, has acquired, directly or indirectly, beneficial ownership of 5% or more of any class of William Hill plc voting securities, shall notify the Board in writing, within 10 days of knowledge of such acquisition. If William Hill plc becomes aware that any person, individually or in association with others, has acquired, directly or indirectly, beneficial ownership of 5% or more of any class of its voting securities, William Hill plc shall notify the Board in writing, within 10 days of knowledge of such acquisition.

20. THAT, pursuant to NRS 463.643(5), any person who, individually or in association with others, has acquired, directly or indirectly, beneficial ownership of 10% or more of any class of voting securities of William Hill plc, must apply to the Commission for a finding of suitability within 30 days after the Chairman of the Board mails written notice.

21. THAT William Hill plc shall, within 6 months of the effective date of this Order of Registration, and at least annually thereafter, notify its security holders of the nature and scope of, and procedures under, the Act and Regulations, in a written form approved by the Chairman of the Board or his designee.

22. THAT within 6 months from the effective date of this Order of Registration, William Hill plc shall take the necessary actions to ensure the ability of the Board and the Commission to enforce the provisions of NGC Regulation 16.440(2).

23. THAT William Hill plc shall establish and maintain a gaming compliance program for the purpose of, at a minimum, performing due diligence, determining the suitability of relationships with other entities and individuals, and to review and ensure compliance by William Hill plc and its subsidiaries with the Act, as amended, the Regulations, as amended, and the laws and regulations of any other jurisdictions in which William Hill plc and its subsidiaries may conduct gaming operations. The gaming compliance program, and amendments thereto, and the members of the gaming compliance committee, one such member who shall be

independent and knowledgeable of the Act and Regulations, shall be administratively reviewed and approved by the Chairman of the Board or his designee. William Hill plc shall amend the gaming compliance program, or any element thereof, and perform such duties as may be requested or assigned by the Chairman of the Board or his designee, relating to a review of activities relevant to the continuing qualifications of William Hill plc, under the provisions of the Act and Regulations.

24. THAT William Hill plc or an affiliated company, shall fund and maintain with the Board a revolving fund in the amount of \$75,000.00 for the purpose of funding investigative reviews by the Board for compliance with the terms of this Order of Registration and any amendments thereto. Without limiting the foregoing, the Board shall have the right, without notice, to draw upon the funds of said account for the payment of costs and expenses incurred by the Board and its staff in the surveillance, monitoring, and investigative review of all activities of William Hill plc and its affiliated companies.

25. THAT, pursuant to NRS 463.625, William Hill plc is exempted from compliance with NRS 463.585 through 463.615, inclusive, and shall instead comply with NRS 463.635, 463.637, 463.639(1)(a) and (2), and NRS 463.641 through 463.645, inclusive, and all other provisions of the Act that apply to publicly traded corporations registered with the Commission.

26. THAT William Hill plc is exempted from NGC Regulation 15 and shall instead comply with the provisions of NGC Regulation 16, and all other Regulations that apply to publicly traded corporations registered with the Commission.

27. THAT the Commission hereby expressly finds that: (i) pursuant to NRS 463.627(2), the business activities of William Hill plc are regulated in a manner which will prevent those activities from posing any threat to the control of gaming in the State of Nevada, and (ii) William Hill plc is regulated in a manner which protects the investors and the State of Nevada and that the United Kingdom regulatory system complies with the factors set forth in NRS 463.633.

28. THAT the Commission hereby expressly finds that the exemptions and conditions herein are consistent with the State policy set forth in NRS 463.0129 and 463.489.

29. THAT this Order of Registration shall not become effective until final form execution versions of (i) the Membership Interest Purchase Agreement, dated as of May 2, 2011, executed by and among William Hill Holdings Limited, BW Sub Co. and Brandywine Gaming LLC, (ii) the Agreement and Plan of Merger, dated as of April 13, 2011, executed by and among William Hill Holdings Limited, AW Sub Co. and American Wagering, Inc. and (iii) the Asset Purchase Agreement, dated as of April 13, 2011, executed by and among CN Acquisition Sub, Inc. and Sierra Development Company have been reviewed and administratively approved by the Chairman of the Board or his designee.

30. THAT this Order of Registration shall not become effective until the completion and effectiveness of (i) the Membership Interest Purchase Agreement, dated as of May 2, 2011, executed by and among William Hill Holdings Limited, BW Sub Co. and Brandywine Gaming LLC, (ii) the Agreement and Plan of Merger, dated as of April 13, 2011, executed by and among William Hill Holdings Limited, AW Sub Co. and American Wagering, Inc., (iii) the Asset Purchase Agreement, dated as of April 13, 2011, executed by and among CN Acquisition Sub, Inc. and Sierra Development Company, and (iv) the surrender by Sierra Development Company, of its licenses to conduct off-track pari-mutuel wagering and nonrestricted gaming operations (race book and sports pool only) at locations identified in the records of the Board. The surrender by Sierra Development Company of its licenses to conduct off-track pari-mutuel wagering and nonrestricted gaming operations (race book and sports pool only) will be deemed accepted by the Board upon the completion of and effectiveness of said Membership Interest Purchase Agreement, Agreement and Plan of Merger, and Asset Purchase Agreement. If said Membership Interest Purchase Agreement, Agreement and Plan of Merger, and Asset Purchase Agreement are not completed and effective by December 20, 2012, unless administratively



extended by the Chairman of the Board or his designee, this Order of Registration shall be deemed null and void and shall not become effective.

ENTERED at Las Vegas, Nevada, this 21<sup>st</sup> day of June 2012.